



NH ODD Fund Case Study

Meriden Deli Mart, Plainville

Overview

The Meriden Deli Mart project successfully coordinated ODD Fund and ARRA assistance to reopen a vacant gas station in Plainville. This foreclosure property was in limbo because of potential contamination and an outdated tank system. Neither the mortgage holder nor a prospective purchaser held title to the property (financially viable but not liable). The former owner, on the other hand, was not financially viable and his rights to the property were terminated during the foreclosure process. The prospective purchaser won the foreclosure auction but could not obtain financing for the property from her bank as long as there was uncertainty about the status of the three 20-year-old tanks on the property. The bank holding the mortgage agreed to take a six-figure loss during the auction, but was not willing to assess and clean up the site in addition to its loss on the mortgage. The site was truly in limbo, with no one liable and able to address the environmental issues in the 30 days prior to closing. Stimulus funding backed up with ODD Fund eligibility, if contamination was found, resolved the impasse by funding the tank removal and providing assurance to the bank financing the sale that environmental liabilities were manageable. New tanks were installed, the property was sold and a new business is now established and operating.

At A Glance:

Site Location: Plainville, NH

Site Profile: Gas Station, Country Store and Deli

Stimulus Funding: \$18,107

ODD Fund Expenditures: claims pending
Outcomes:

- Bank foreclosure property turned into a thriving local business and community center.
- Three 20-year old tanks and associated pump island upgraded to meet current standards by new owner.
- Environmental assessment activities completed using ARRA funding and the site is nearing closure.

History

The Meriden Deli Mart property is located near a stream and gasoline product seeped into the stream on several occasions in the past. The tank system was at the end of its functional life, and DES was concerned about the property being vacant and the tank systems being unattended for a long period of time. DES decided that taking action at the site was a priority and that we would

use stimulus money to assess and clean up the site, and thereby break the impasse that occurred after the property was foreclosed on. The bank was proactive and agreed to provide DES with site access. The prospective purchaser agreed to pay for partial backfill, compaction, and repaving of the site, as well as tank replacement.

Thirty days till closing was not a lot of time to assess and close the tank system, develop a design for the replacement tanks, and approve the design plans (design development/reviews use private sector or state, not stimulus, funding due to LUST Trust fund restrictions). However, the bank, prospective site owner, and DES (tank and remedial sections) worked closely together for a common purpose. The bank even allowed the prospective purchaser to fix up and restock the store prior to the real estate closing. The tank closure report was finalized two days before closing, and the closing went without a hitch. Following closing the new owner installed a replacement tank system, and opened for business.



Stimulus funded tank removal.

Environmental Assessment and Cleanup

Contamination was discovered and addressed during the assessment and tank removal efforts. The contamination has been fully characterized and was determined to be limited in extent and concentration. DES hopes to close the site this year and the new tanks and updated technology (under dispenser sumps and third generation double-wall flexible pipes technology) should prevent future releases. The site characterization cost, minus a \$5,000 deductible, is being reimbursed by the state's petroleum reimbursement fund.



New owner's tank installation.

Redevelopment Project Success

The country store and gas station reopened in late October 2010, and new jobs were created through hiring new employees, inventory purchases, tank-system closure, and tank-system replacement. The reopening of the station and associated businesses (there is a separate commercial building that is leased to tenants) provides services to an underserved portion of the state, including access to diesel for off-road recreation. Even more important to the community, there is a place to gather, trade stories and meet. Meriden Deli Mart fills the classic social role that country stores have always filled in rural communities.



Newly reopened deli and country store